

Covid-19 Business Grant Guidance from November 2020 to the end of National Lockdown

Below is a summary of the grant criteria for the different Covid-19 restrictions imposed on North East Lincolnshire from November 2020.

Grant allocations for Closed businesses

1. [Businesses responsible for the business rates at their premises.](#)
2. [Businesses not responsible for the business rates at their premises, or not occupying business premises.](#)

Grant allocations for Open but severely affected businesses

1. [Businesses responsible for the business rates at their premises.](#)
2. [Businesses not responsible for the business rates at their premises, or not occupying business premises.](#)

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BUSINESSES MANDATED TO CLOSE BY GOVERNMENT

[Businesses responsible for the business rates in the premises they occupy.](#)

All ratepaying businesses who were forced by government to close during National Lockdown **5th November to 2nd December 2020** are eligible for the following grants:

- Businesses with a rateable value of £15k or under will receive **£1,334 per 28-day period.**
- Businesses with a rateable value of over £15k and below £51k will receive **£2,000 per 28-day period.**
- Businesses with a rateable value of £51k or over will receive **£3,000 per 28-day period.**

Those ratepaying businesses not allowed to reopen during **Tier 3 restrictions in December 2020** continue to receive the following support:

- Businesses with a rateable value of £15k or under will receive **£1,334 for the 28-day period, plus a top-up payment of £238 for the 5-day period 1st-5th Jan 2021.**
- Businesses with a rateable value of over £15k and below £51k will receive **£2,000 for the 28-day period plus a top-up payment of £357 for the 5-day period 1st – 5th Jan 2021.**
- Businesses with a rateable value of £51k or over will receive **£3,000 for the 28-day period plus a top-up payment of £535 for the 5-day period 1st – 5th Jan 2021.**

An additional Government scheme specifically for **'wet pubs'** (businesses who operate public houses who under normal circumstances earn less than 50% of their income through the sale of food) are also eligible for an **additional £1,000**. This is a separate allocation through the

Christmas Support Fund announced by Government. The £1,000 is a one-off payment for December only. **This scheme closed for applications on 28th February 2021.**

The **National lockdown January 2021 – 31 March 2021** will be paid in two cycles as follows.

All ratepaying businesses forced by government to close for this period, are eligible for the following grants:

- Businesses with a rateable value of £15k or under will receive **£2,001 for the first 42-day cycle, and £2,096 for the second 44-day cycle.**
- Businesses with a rateable value of over £15k and below £51k will receive **£3,000 for the first 42-day cycle, and £3,143 for the second 44-day cycle.**
- Businesses with a rateable value of £51k or over will receive **£4,500 for the first 42-day cycle, and £4,714 for the second 44-day cycle.**

Additionally, a **one-off top-up** payment for the whole national lockdown period will be paid in addition to the above, to those ratepaying businesses who must remain closed.

- Properties with a rateable value of £15k or under will receive a one-off top up payment of **£4,000.**
- Properties with a rateable value of over £15k and below £51k will receive a one-off top up payment of **£6,000.**
- Properties with a rateable value of £51k or over will receive a one-off top up payment of **£9,000.**

All tiered business grants will cease on 31st March, and an additional one-off **Restart Grant** will be available in April 2021. Full details will be published in due course.

Businesses not responsible for the business rates in the premises they occupy.

These businesses will be supported through the Additional Restrictions Grant (ARG), a discretionary amount of funding awarded to Local Authorities to use to support businesses who fall outside of the mandatory grant schemes.

Please note, Government guidance is clear that the Additional Restrictions Grant (ARG) is to support business costs only and cannot be used as a wage subsidy – it is to support to the business that the person runs, for example where that person might have fixed costs.

Businesses not in the business rating system who were forced by government to close during National Lockdown **5th November to 2nd December 2020** are eligible for the following grants:

- Businesses in premises, but not in the rating system, required to close by government, will receive 50% of the grant amount given to a business with a rateable value - **£667 for the 28-day period.**
- Businesses who do not have business premises but are unable to claim through the Job Retention Scheme or Self-Employed Income Support Scheme who are forced to close, will receive the same as those closed but not in the rating system - **£667 for the 28-day period.**

Businesses not in the business rating system who are not allowed to reopen during **Tier 3 restrictions in December 2020** continue to receive the following support:

- Businesses in premises, but not in the rating system, required to close by government, will receive 50% of the grant amount given to a business with a rateable value - **£1,000 for the 28-day period.**
- Businesses who do not have business premises but are unable to claim through the Job Retention Scheme or Self-Employed Income Support Scheme who are forced to close, will receive the same as those closed but not in the rating system - **£1,000 for the 28-day period.**

The **National lockdown January 2021 – 31 March 2021** will be paid in two cycles as follows.

- Businesses in premises but not in the rating system who are identified as being required to close by government will receive **2 x £1,500 payments.**
- Businesses who do not have business premises and are unable to claim through the Job Retention Scheme or Self-Employed Income Support Scheme who are forced to close will receive **2 x £1,050 payments.**

All tiered business grants will cease on 31st March, and the **Restart Grant** announced by Government **will not** be available to non-ratepaying businesses.

BUSINESSES NOT MANDATED TO CLOSE BY GOVERNMENT BUT SEVERELY AFFECTED

These businesses will be supported through the Additional Restrictions Grant (ARG), a discretionary amount of funding awarded to Local Authorities to use to support businesses who fall outside of the mandatory grant schemes.

Businesses responsible for the business rates in the premises they occupy.

All ratepaying businesses who were not forced by government to close but can evidence a 30% reduction of income will receive the following grants, calculated as 70% of the value of grants allocated by Government to businesses who are forced to close completely:

November 2020

- Businesses with a rateable value of £15k or under will receive **£934 for the 28-day period.**
- Businesses with a rateable value of over £15k and below £51k, will receive **£1,400 for the 28-day period.**
- Businesses with a rateable value of £51k or over will receive **£2,100 for the 28-day period.**

Businesses not in the business rating system allowed to be open but severely affected during **Tier 3 restrictions in December 2020** will receive **£700 for the 28-day period.**

The **National lockdown January 2021 – 31 March 2021** will be paid in two cycles as follows.

- Businesses with a rateable value of £15k or under will receive **2 x £1,401 payments.**
- Businesses with a rateable value of over £15k and below £51k, will receive **2 x £2,100 payments.**
- Businesses with a rateable value of £51k or over will receive **2 x £3,150 payments.**

Businesses not responsible for the business rates in the premises they occupy.

Please note, Government guidance is clear that the Additional Restrictions Grant (ARG) is to support business costs only and cannot be used as a wage subsidy – it is to support to the business that the person runs, for example where that person might have fixed costs.

November 2020

- Home based or mobile businesses that are unable to claim through the Job Retention Scheme or Self-Employed Income Support Scheme will receive **£667 for the 28-day period.**
- Businesses in a premise, not in the business rating system will receive **£667 for the 28-day period.**

December 2020

- Home based or mobile businesses that are unable to claim through the Job Retention Scheme or Self-Employed Income Support Scheme will receive **£700 for the 28-day period.**
- Businesses in a premise, not in the business rating system will receive **£700 for the 28-day period.**

The **National lockdown January 2021 – 31 March 2021** will be paid in two cycles as follows.

- Home based or mobile businesses that are unable to claim through the Job Retention Scheme or Self-Employed Income Support Scheme will receive **2 x £1,050 payments.**
- Businesses in a premise, not in the business rating system will receive **2 x £1,050 payments.**

All tiered business grants will cease on 31st March, and the **Restart Grant** announced by Government **will not** be available to non-ratepaying businesses.

TERMS AND CONDITIONS

Applicants responsibilities

Businesses are responsible for providing true and accurate information, and applicants are asked to note that:

- The Council is relying on businesses to be honest and open, and to present all of the evidence requested (If you provide false or inaccurate information then the Council will take appropriate action). The council may ask for additional information in order to verify an application.
- Any grant received by a business must be declared to HM Revenue and Customs (HMRC) as appropriate as part of the tax return for the business.

- Any grant received by the business will be used only for the purpose intended, i.e. to help alleviate the financial pressure of the recipient business to carry out its business.
- Providing wrong or misleading information is a criminal offence and any such information may be used against applicants in any subsequent criminal investigation.
- One application will cover all available schemes at the time of applying. If the scheme is extended beyond the advertised period, applicants will have to advise the council of any changes in circumstances when notified by the council of an intention to pay a grant. It is the businesses responsibility to inform the council of any changes in circumstances, and any grant paid which is subsequently deemed ineligible will be subject to claw back.
- The Council will only accept fully completed online application forms and the required evidence to support the application. An application made during the application window does not guarantee approval for payment.
- The Council will not accept applications made after the closing dates published in the guidance.
- Closed Businesses with more than one qualifying property will receive a grant for each property and will have to complete an application form for each qualifying property. Please do not incorporate details for multiple properties into one application form or your submission will not be assessed.
- Open but affected businesses with more than one property will only be considered for multiple grants if each premises have clearly defined independent accounts.

Application process

- Applications can only be made online, and there is certain information you will need to have before you apply. Please see checklist below.
- On submission of the application form, an email will be generated supplying the applicant with a unique reference number and notifying applicants when to expect payment if the application is successful. Payments will be made in accordance with the grant cycle e.g. for each 28 or 14-day period of restrictions.
- If the application is not accompanied by the supporting evidence required, the Council will email the applicant for further information. It is the responsibility of the applicant to provide the correct information in a timely manner.
- Unsuccessful applicants will be advised by email. **There is no right to appeal a decision.**

Application checklist

Question	If answer is YES	If answer is No
Are you the ratepayer at your business premises?	Yes – you will need to state the Business Rate Account number, property number and Rateable Value on the application form	No – type 'N/A' into the field and you will be able to move on
Are you a Limited Company?	Yes – You will need to supply the registration number and address as shown on Companies House (this may be different to the address of the business or your billing address)	No – Please supply your unique tax reference number

Are you a Sole Trader or Partnership?	Yes – you will have to supply your Unique Tax Reference (UTR) or Partnership number associated with your tax return.	
Are you VAT registered?	Yes – you will need to provide your VAT registration number	No – please leave this section blank, or write 'No'
Has your business been forced to close by Government imposed restrictions?	Yes – you will be asked for your type of business. You are still eligible to apply if you are continuing to trade online or by take-away/delivery as long as your substantive business is normally face-to-face.	No – please ensure you are completing the 'Open and affected' grant.
Have you had a Covid-19 grant previously from North East Lincolnshire Council? E.g. Small Business Grant, Retail & Leisure Grant or Discretionary grant (June 2020)	Yes – you will be asked if your bank details remain the same. Even if they do, you will be required to provide a copy of your bank statement showing recent activity, and clearly showing the account number, sort code and account holders name so we can verify your identity and business status (you can redact balances if you prefer)	No – you will be asked to provide your bank details – account number sort code and account holder name. You will also be required to provide a copy of your bank statement showing recent activity plus the account name, number and sort code clearly visible so we can verify your identity and business status (you can redact balances if you prefer).
Are you applying to the 'Additional Restrictions' grant	Yes – in addition, you will be required to provide bank statements covering the periods 15 th Oct 19 to 15 th Jan 20, and 15 th Oct 20 to 15 th Jan 21. If the account you use for your business also includes personal transactions, business transactions will need to be clearly highlighted prior to uploading.	No – if your business is closed by government but you are not in a business rated premises, we may come back and ask you for additional financial information to back up your claim.

Additional Information

Undertakings in Difficulty

All enterprises will need to confirm that they did not fall within the definition of an 'undertaking in difficulty' as defined 31st December 2019 in UK state aid rules.

1. Agriculture Sector: Article 2(14) of the Commission Regulation (EU) No 702/2014
2. Fisheries Sector: Article 3(5) of the Commission Regulation (EU) No 1388/2014
3. All other sectors: Article 2(18) of the Commission Regulation (EU) no 651/2014

You must complete the declaration within the application form.

Tax

Please note, grant income received by a business is taxable, therefore funding paid under the scheme will be subject to tax.

Fraud

Government will not accept deliberate manipulation and fraud and any business caught falsifying their records to gain grant money will face prosecution and any issued funding will be subject to claw back, as may any grants paid in error.

Data Protection

We are collecting your personal details to allow us to provide this service effectively and to allow us to contact you if we require further information. The information you provide will be processed and stored in accordance with the principles of Data Protection legislation.

State Aid /Subsidy Allowances

The EU State aid rules no longer apply to subsidies granted in the UK following the end of the transition period, which ended on 31 December 2020. This does not impact the limited circumstances in which State aid rules still apply under the Withdrawal Agreement, specifically Article 10 of the Northern Ireland Protocol. The United Kingdom remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU. BEIS Guidance for public authorities explaining the subsidies chapter of the TCA, World Trade Organisation rules on subsidies, and other international commitments can be found here: <https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

There are three subsidy allowances for this scheme set out below: Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance.

- **Small Amounts of Financial Assistance Allowance** - Grants may be paid in accordance with Article 3.2(4) of the TCA, which enables an applicant to receive up to a maximum level of subsidy without engaging Chapter 3 of the TCA. This allowance is 325,000 Special Drawing Rights, to a single economic actor over any period of three fiscal years, which is the equivalent of £335,000 as at 2 March 2021. An applicant may elect not to receive grants under the Small Amounts of Financial Assistance Allowance and instead receive grants only using the below allowances available under this scheme.
- **COVID-19 Business Grant Allowance** - Where the Small Amounts of Financial Assistance Allowance has been reached, grants may be paid in compliance with the Principles set out in Article 3.4 of the TCA and in compliance with Article 3.2(3) of the TCA under the COVID-19 Business Grant Allowance (subsidies granted on a temporary basis to respond to a national or global economic emergency). For the purposes of these scheme rules, this allowance is £1,600,000 per single economic actor. This allowance includes any grants previously received under the COVID-19 business grant schemes and any State aid previously received under Section 3.1 of the European Commission's Temporary Framework across any other UK scheme. This may be combined with the Small Amounts of Financial Assistance Allowance to equal £1,935,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).

- **COVID-19 Business Grant Special Allowance** - Where an applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, it may be able to access a further allowance of funding under these scheme rules of up to £9,000,000 per single economic actor, provided the following conditions are met:
 - a. The Special Allowance covers only the applicant's uncovered fixed costs incurred during the period between 1 March 2020 and 31 March 2022, including such costs incurred in any part of that period ('eligible period');
 - b. Applicants must demonstrate a decline in turnover during the eligible period of at least 30% compared to the same period in 2019. The calculation of losses will be based on audited accounts or official statutory accounts filed at Companies House, or approved accounts submitted to HMRC which includes information on the applicant's profit and loss;
 - c. 'Uncovered fixed costs' means fixed costs not otherwise covered by profit, insurance or other subsidies;
 - d. The grant payment must not exceed 70% of the applicant's uncovered fixed costs, except for micro and small enterprises (for the purposes of this scheme defined as less than 50 employees and less than £9,000,000 of annual turnover and/or annual balance sheet), where the grant payment must not exceed 90% of the uncovered fixed costs;
 - e. Grant payments under this allowance must not exceed £9,000,000 per single economic actor. This allowance includes any grants previously received in accordance with Section 3.12 of the European Commission's Temporary Framework; all figures used must be gross, that is, before any deduction of tax or other charge;
 - g. Grants provided under this allowance shall not be cumulated with other subsidies for the same costs.